

February 9, 2004

Ms. Angela Corbin
Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
Mail Stop S2-01-16, 7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Ms. Corbin:

Re: Amendment Request- Michigan Adult Benefits Waiver (ABW), CMS project number 21-W-00017-5

I am writing to request consideration of proposed amendments to the above referenced HIFA waiver program. The amendments are requested at the behest of providers and beneficiary advocates who have primary interest in the program.

CMS approval of the following amendments is requested: 1) Termination of the inpatient hospitalization benefit; 2) Elimination of the beneficiary co-payment for emergency room care; and 3) Elimination of beneficiary co-payments for prescription drugs. The first amendment recognizes the hospital industry's concern with the case rate paid for each hospitalization and it would enable Michigan to fund pharmacy services with no co-payment responsibility for beneficiaries. Initial program experience with pharmacy co-payments indicates that they are a very real impediment to accessing this service. Similar experience with emergency room co-payments has been reported. Therefore, we believe these proposed amendments would significantly improve the program.

I have attached a revised budget for the Adult Benefits Waiver that will reflect the requested changes. I have also attached the revised corresponding pages from the approved waiver application including the changes requested. The anticipated effective date of the requested changes is April 1, 2004.

If you require additional information in your review of our requested changes, please contact Steve Fitton at (517) 335-5178 or at fittons@michigan.gov. Thank you for your timely consideration of our proposals.

Sincerely,

Paul Reinhart, Director
Medical Services Administration

PR/SF/sy

Enclosures (5)

cc: Cheryl Austein-Casnoff
Cheryl Harris
Ruth Hughes
Hye Sun Lee
Julie Greenway
Steve Fitton